CDH INVESTMENT BANK

Market update – 24th July 2026

Foreign exchange market developments

During the week, the Kwacha was generally stable against the USD, registering a marginal depreciation of 0.02%. The Kwacha, however, appreciated against the GBP, EUR and ZAR during the week, as indicated by TT middle exchange rates below (Source: RBM).

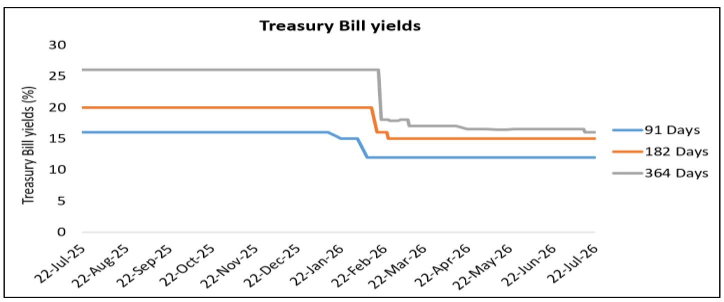
Closing TT middle exchange rates as at the end of the week			
Currency	**24-Jul-26**	**% Δ**	**17-Jul-26**
USD	1750.6752	↓ 0.02%	1750.3208
GBP	2393.1141	↑ -1.20%	2422.2178
EUR	2041.1603	↑ -0.91%	2059.9916
ZAR	106.8920	↑ -1.86%	108.9227
Foreign exchange reserves position			
	31-Mar-26	**28-Feb-26**	**31-Jan-26**
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	571.60	625.70	664.90
Total import cover (months)	2.30	2.50	2.70
Cumulative tobacco sales statistics as at Week 14			
Date	**Week 14 2026 (24 July 2026)**	**% Δ**	**Week 14 2025 (11 July 2025)**
Volume (million kg)	115.58	↓ -22.79%	149.69
Value (USD'million)	233.32	↓ -38.69%	380.56
Average price (USD/Kg)	2.02	↓ -20.47%	2.54

Data source: Reserve Bank of Malawi (RBM)

Government securities

During the auction of Treasury Bills conducted during the week, applications amounted to K64.78b and successful bids amounted to K21.45b, resulting in a rejection rate of 66.28%. There was no auction of Treasury Notes during the week.

Maturities of Government securities amounted to K19.77b, resulting in a net withdrawal of K1.68b from the market during the week, compared to a net withdrawal of K70.06b in the previous week (Source: RBM).

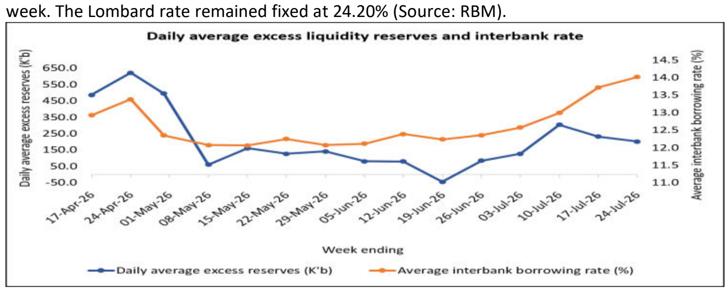


Treasury Bill auctions			
Auction date	**21 & 22 Jul 2026**	**% pts Δ**	**14 & 15 Jul 2026**
Applied - cost value (K'm)	64,783.37	↓ -54.97%	143,881.01
Alloted - cost value (K'm)	21,847.85	↓ -77.19%	95,775.50
Overall rejection rate	66.28%	↑ 32.84	33.43%
91 days yield	12.0000%	→ 0.0000%	12.0000%
182 days yield	15.0000%	→ 0.0000%	15.0000%
364 days yield	16.0000%	↓ -0.2500%	16.2500%
All-type yield	14.3333%	↓ -0.0833%	14.4167%
Treasury Note and Bond auctions			
Auction dates	**22, 24 & 26 June 2026**	**15, 17 & 18 June 2026**	**11 & 12 June 2026**
Tenor	2-year Treasury Note	2-year Treasury Note	2-year Treasury Note
Coupon rate	10.00%	10.00%	10.00%
Total applied - cost value (K'b)	12.15	7.76	26.294
Total allotted - cost value (K'b)	12.15	6.01	26.294
Overall rejection rate	0.00%	22.59%	0.00%
Allotted - weighted average ytm	18.00%	18.00%	18.00%
Current yields for Treasury Notes and Bonds			
Tenor	**Last auction's yield**	**Last auction**	**Next auction**
2-year Treasury Note	18.00%	26-Jun-26	TBA
2-year Development Bond	28.75%	05-Aug-25	TBA
3-year Treasury Note	30.00%	18-Dec-25	TBA
3-year Development Bond	30.00%	18-Nov-25	TBA
5-year Treasury Note	32.00%	18-Dec-25	TBA
5-year Development Bond	32.00%	02-Dec-25	TBA
7-year Treasury Note	34.00%	18-Dec-25	TBA
7-Year Development Bond	34.00%	07-Jan-25	TBA
10-year Treasury Note	35.00%	18-Dec-25	TBA
10-year Development Bond	35.00%	20-Jun-24	TBA
Projected maturities			
Week ending	**24-Jul-26**	**31-Jul-26**	**7-Aug-26**
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	19,773	70,115	17,302
Open Market Operations repos (K'm)	0	0	0
Open Market Operations reverse repos (K'm)	0	0	0

Data source: RBM

Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K201.48b, decreasing from an average of K231.33b in the previous week. The interbank borrowing averaged K66.90b per day from an average of K135.40b per day in the previous week. Borrowing on the Lombard Standing Facility amounted to K61.50b during the week, down from K30.00b in the previous week. The average interbank borrowing rate increased to 14.01% from 13.72% in the previous week. The Lombard rate remained fixed at 24.20% (Source: RBM).



Policy Rate			
	30-Apr-26	**% pts Δ**	**05-Mar-26**
Rate	24.00%	→ 0.00	24.00%
Market Reference Rate			
	Jul-26	**% pts Δ**	**Jun-26**
Rate	20.50%	↑ 0.10	20.40%
Inflation Rate			
	Jun-26	**% pts Δ**	**May-26**
Rate	21.10%	↓ -2.30	23.4%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a loss of -0.71% to close the week at 509,168.57 points from 512,808.58 points in the previous week. The market traded 1,869,555 shares at a consideration of K673.83m in 399 trades, compared to 3,440,776 shares traded at a consideration of K5.28b in 435 trades in the previous week. The year-to-date return on MASI stood at -14.86% as at the end of the week, compared to 92.86% during the same period in 2025 (Source: MSE).

Stock market trading activity					
	24-Jul-26	**% Δ**	**17-Jul-26**		
MASI	509,168.57	↓ -0.71%	512,808.58		
DSI	377,875.47	↓ -0.86%	381,145.07		
FSI	95,719.02	↓ -0.00001%	95,719.03		
Traded volume	1,869,555	↓ -45.66%	3,440,776		
Number of trades	399	↓ -8.28%	435		
Value of shares traded (K'm)	673.83	↓ -87.23%	5,277.38		
Market capitalisation (K'm)	27,760,342.24	↓ -0.71%	27,958,797.70		
Gainers	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
TNM	28.72	↑ 0.53%	28.57	15.58	3.23
BHL	17.48	↑ 0.23%	17.44	18.67	1.43
MPICO	19.60	↑ 0.05%	19.59	3.32	0.58
ILLOVO	3,501.90	↑ 0.001%	3,501.87	32.36	11.60
No movement	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
FMBCH	1,895.81	→ 0.00%	1,895.81	23.82	9.27
PCL	9,521.77	→ 0.00%	9,521.77	7.89	2.22
Loser	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
SUNBIRD	3,550.00	↓ -0.0003%	3550.01	74.42	6.75
OMU	5,300.02	↓ -0.0004%	5,300.04	30.53	3.95
NITL	3,699.78	↓ -0.005%	3,699.95	2.47	1.82
ICON	17.00	↓ -0.06%	17.01	3.48	0.65
FDHB	513.25	↓ -0.07%	513.61	23.97	14.24
STANDARD	3,995.96	↓ -0.08%	3,999.13	38.53	13.44
NBS	689.78	↓ -0.48%	693.08	13.35	9.07
NBM	9,598.96	↓ -0.53%	9,649.99	22.09	10.98
AIRTEL	103.93	↓ -0.83%	104.80	22.31	18.63
NICO	1,350.00	↓ -9.69%	1,494.93	8.39	4.70

Data source: MSE

Dividends announced					
Company	**Dividend type**	**Dividend (K/share)**	**Ex-dividend date**	**Last day to register**	**Payment date**
SUNBIRD	Final declared	11.35	29-Jul-26	31-Jul-26	14-Aug-26
NBM	Final declared	111.79	29-Jul-26	31-Jul-26	14-Aug-26
NBS	Final declared	4.70	TBA	TBA	TBA
NICO	Final proposed	8.05	TBA	TBA	TBA
ICON	Final proposed	0.16	TBA	TBA	TBA
TNM	Final proposed	0.23	TBA	TBA	TBA
PCL	Final proposed	66.52	TBA	TBA	TBA

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